

MINUTE ITEM

This Calendar Item No. C27 was approved as Minute Item No. 27 by the California State Lands Commission by a vote of 3 to 0 at its 4-17-06 meeting.

**CALENDAR ITEM
C27**

A 34

04/27/06

S 18

PRC 7509.2 and PRC 7512.2

N. Lee

CONTINUATION OF RENT

LESSEE:

Kern River Gas Transmission Company

AREA, LAND TYPE, AND LOCATION:

4.1 acres, more or less, of State school land located in Section 36, Township 14 North, Range 6 East, SBM, and 6.08 acres, more or less, of State school lands located in Section 16, Township 17 North, Range 14 East, SBM, San Bernardino County.

AUTHORIZED USE:

Use and maintenance of an existing 36-inch diameter underground natural gas pipeline.

LEASE TERM:

PRC 7509.2

30 years, beginning March 7, 1991.

PRC 7512.2

30 years, beginning March 7, 1991.

CONSIDERATION:

PRC 7509.2

This lease provides that the Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the rent be continued at \$2,897 per year, effective March 7, 2006.

PRC 7512.2

This lease provides that the Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the rent be continued at \$4,292 per year, effective March 7, 2006.

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OTHER PERTINENT INFORMATION:

1. On March 6, 1991, the Commission authorized two General Leases Right-Of-Way Use to Kern River Gas Transmission Company for the construction, use and maintenance of a 36-inch diameter natural gas pipeline that crosses two parcels of State school land in San Bernardino County. The leases were issued for a term of 30 years, beginning March 7, 1991. The existing natural gas pipeline is an interstate pipeline that begins in Wyoming and terminates at Daggett, California in San Bernardino County. The pipeline is under the authority of the Federal Department of Transportation (DOT) pursuant to Title 49, Code of Federal Regulations, Part 192, and was last inspected in June 2004 with no deficiencies reported.
2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, sections 15060(c)(3) and 15378.

EXHIBITS:

- A. Site and Location Map PRC 7509.2
- B. Site and Location Map PRC 7512.2

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY

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PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14,
CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

1. APPROVE THE CONTINUATION OF RENT FOR LEASE
NO. PRC 7509.2 AT \$2,897 PER YEAR, EFFECTIVE
MARCH 7, 2006.
2. APPROVE THE CONTINUATION OF RENT FOR LEASE
NO. PRC 7512.2 AT \$4,292 PER YEAR, EFFECTIVE
MARCH 7, 2006.

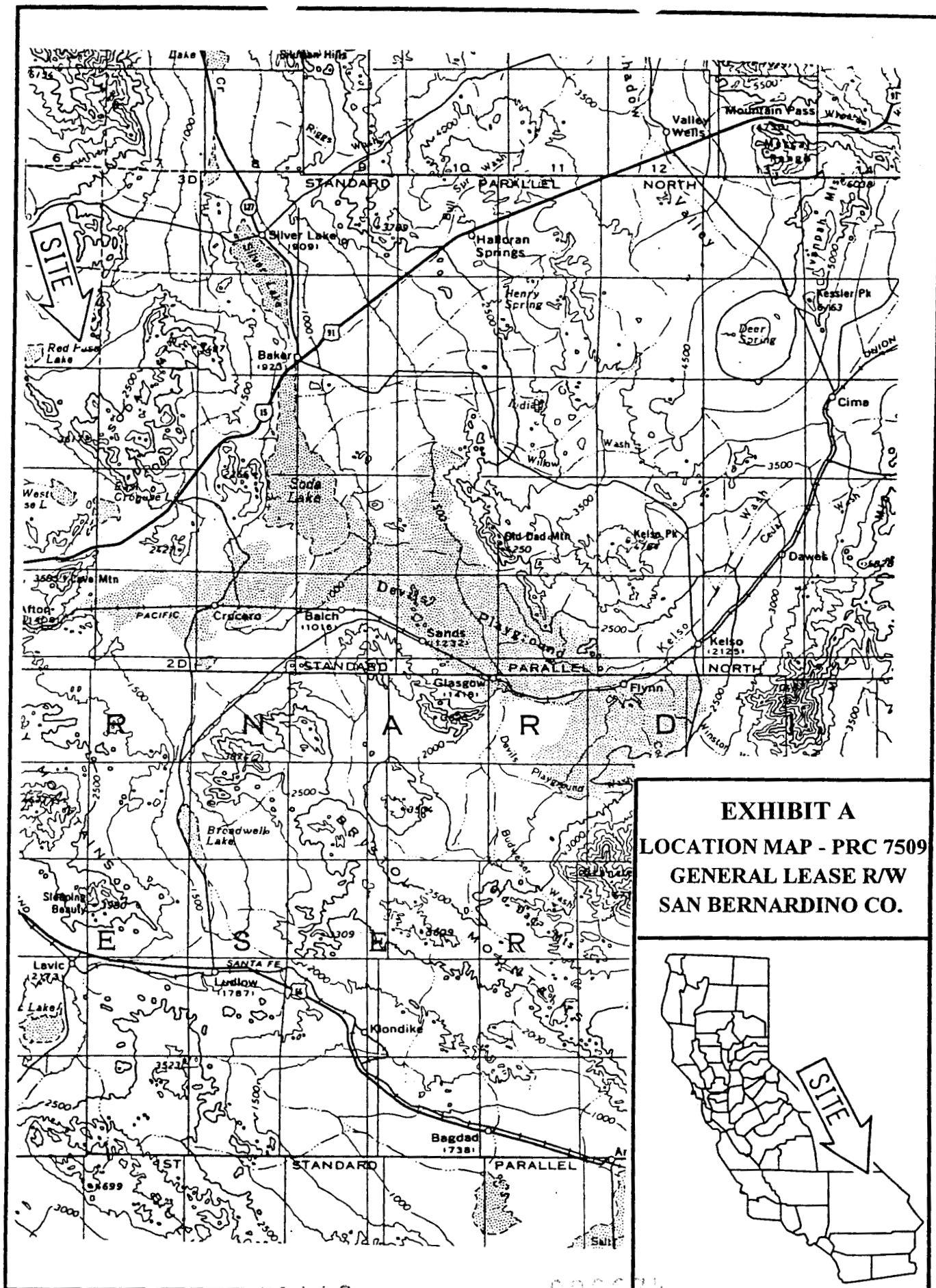


EXHIBIT A
LOCATION MAP - PRC 7509
GENERAL LEASE R/W
SAN BERNARDINO CO.



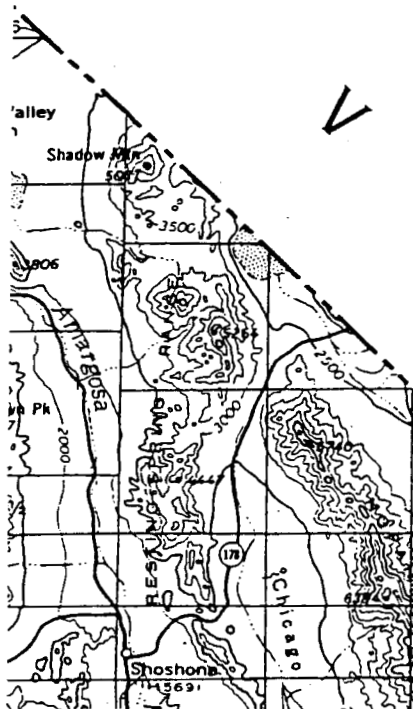
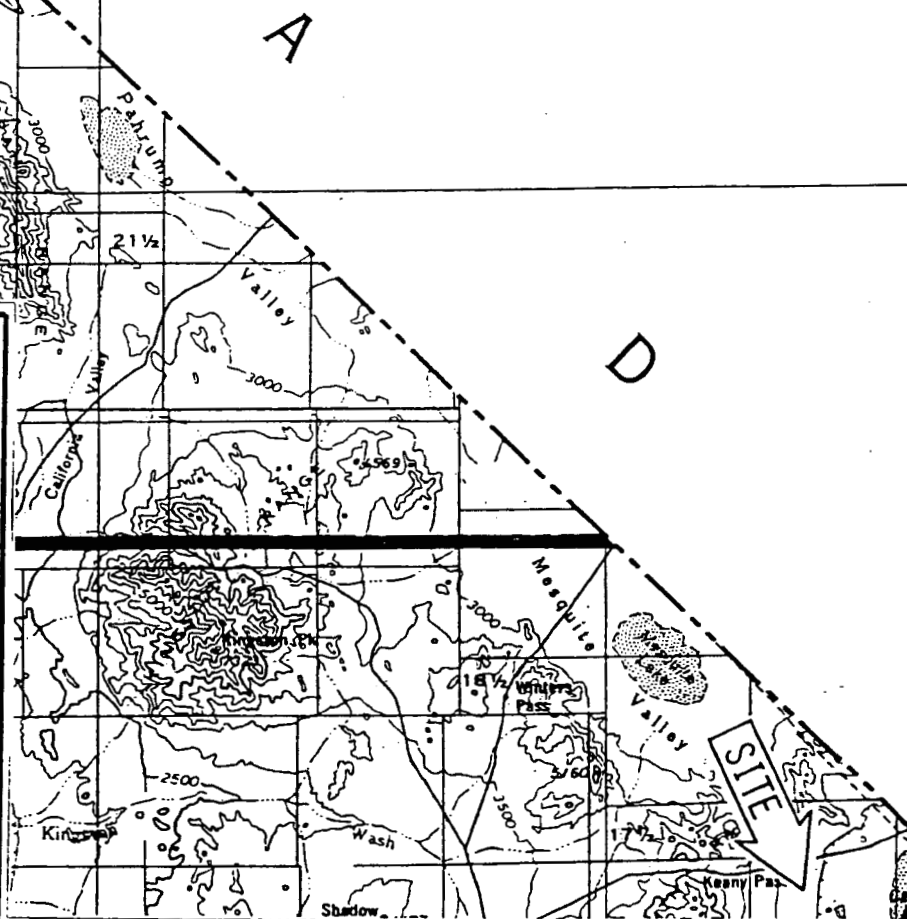


EXHIBIT B
LOCATION MAP - PRC 7512
GENERAL LEASE R/W
SAN BERNARDINO CO.



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